



INDIANA DEPARTMENT OF TRANSPORTATION

Driving Indiana's Economic Growth

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Mitchell E. Daniels, Jr., Governor
Michael B. Cline, Commissioner

September 20, 2010

Ms. Marisol R. Simon
Regional Administrator
Federal Transit Administration (FTA)
200 West Adams Street, Suite 320
Chicago, IL 60606

Mr. Robert F. Tally, Jr.
Division Administrator
Federal Highway Administration (FHWA)
575 North Pennsylvania Street, Room 254
Indianapolis, IN 46204

RE: FY2010 - FY2013 Indiana State Transportation Improvement Program (INSTIP) Transit Amendment # 9

Dear Administrators;

Please find attached a Metropolitan Planning Organization TIP amendment which needs to be approved and included into the FY 2010 Indiana Transportation Improvement Program. We will reflect by reference the 2010-2013 federal aid projects covered by this approval in our 2010-2013 INSTIP. The amendment is for the Lafayette MPO and the resolution number is Resolution T-10-09. The project is listed below:

Section 5309 Projects

Project Description	Original Section 5309	Revised Section 5309	Difference
Three Hybrid Bus Upgrades	\$00.00	\$600,000	\$600,000

We have determined that the proposed amendments are: 1) consistent with the transportation plan; 2) the TIP remains fiscally constrained in that federal funding resources are sufficient to support the new or modified projects and 3) conform to state and national air quality standards as required by the Federal Clean Air Act Amendments of 1990.

We request your review and approval of the subject amendment. Please contact me at (317) 232-5292 if you have any questions.

Sincerely,

Larry Buckel
Manager
Office of Transit

CC: Sallie Dell Fahey, Lafayette MPO
Reggie Arkell, FTA

Resolution T-10-09

RESOLUTION TO AMEND THE
FY 2011 - 2014 TRANSPORTATION IMPROVEMENT PROGRAM

WHEREAS, the Area Plan Commission of Tippecanoe County (APC) in its capacity as the Metropolitan Planning Organization is responsible for transportation planning in Tippecanoe County, and

WHEREAS, the Area Plan Commission, acting as the Metropolitan Planning Organization, is responsible for developing and maintaining the Transportation Improvement Program, and

WHEREAS, the Executive Committee has been authorized by the Area Plan Commission of Tippecanoe County to act on this Transportation Improvement Program request, and

WHEREAS, the Greater Lafayette Public Transportation Corporation, CityBus, has requested a change to the FY 2011 – 2014 Transportation Improvement Program as follows:

<u>Project</u>	<u>Federal Funding</u>	<u>Federal Share</u>	<u>Local Share</u>	<u>Total Cost</u>
Hybrid Bus Upgrade	Section 5309 Funds	\$480,000	\$120,000	\$600,000

WHEREAS, the Technical Transportation Committee reviewed the request at its July 15, 2010 meeting and recommended its inclusion in the FY 2011-2014 Transportation Improvement Program, and

WHEREAS, the Administrative Committee reviewed the request at its August 20, 2010 meeting and recommended its inclusion in the FY 2011-2014 Transportation Improvement Program.

NOW THEREFORE BE IT RESOLVED that the Executive Committee of the Area Plan Commission of Tippecanoe County, acting in its capacity as the Metropolitan Planning Organization, hereby adopts this amendment to the FY 2011-2014 Transportation Improvement Program for Tippecanoe County.

ADOPTED on Wednesday, the 1st of September 2011.


Carl D. Griffin
President, APC


Sallie Dell Fahey
Secretary

Resolution T-10-09
FY 2011 - 2014 TIP Amendment
CityBus

Staff Report
August 26, 2010

BACKGROUND AND REQUEST:

CityBus requests an amendment to add a Section 5309 Capital Grant. The grant allows CityBus to upgrade three new diesel buses to electric hybrids which were approved for purchase by the Board of Directors on April 29, 2010. The grant is for \$480,000 in federal funds.

This capital grant is part of a statewide grant that was secured by Senator Richard Lugar. The State of Indiana received \$2.4 million for the Electric Hybrid Bus Initiative. These funds were awarded to only three transit systems in the state and the specific grant number is: E2010-BUSP-083.

The Board of Directors endorsed the amendment on June 23rd, 2010.

The Technical Transportation Committee reviewed the amendment at its July 15, 2010 meeting and recommended adoption to the Area Plan Commission.

The Administrative Committee reviewed the amendment at its August 20, 2010 meeting and recommended adoption to the Area Plan Commission.

STAFF RECOMMENDATION:

Approval of this amendment to the FY 2011-2014 Transportation Improvement Program by adoption of the attached Resolution T-10-09.

7. Analysis of Financial Capacity: CityBus

The Area Plan Commission of Tippecanoe County has, in accordance with the requirements of FTA Circular 7008.1, made an assessment of the Greater Lafayette Public Transportation Corporation's (CityBus) financial condition and capability. Historic trends are shown in **Tables 18** and **19**. Projected revenue (**Table 20**) will meet future operating and capital needs from fares, passes, local taxes, and state PMTF funds in conjunction with stable federal assistance.

Financial Condition Review

There are primarily four funding sources used by the transit system. CityBus receives revenue from the National Transit Trust Fund, apportioned by Congress each year. Funds from the state's Public Mass Transit Fund are used to meet both operating and capital needs. Local funds are generated from operating revenue (fares, passes, advertising and tokens) and local taxes (property tax, county option income tax, and excise tax).

Table 18 shows the annual federal apportionment and the percent change. Increases in federal funding have occurred every year. While the increases in 2006 and 2007 are quite substantial, the increases in 2008 and 2009 are more typical and realistic. The 2010 apportionment shown is only a partial amount since the federal transit program has been authorized by only continuing resolutions.

Table 18 includes special federal funds received by CityBus. FTA has set aside federal funds for the Small Transit Intensive Cities (STIC) program. These funds are awarded to transit systems based on meeting and/or exceeding six industry performance measures. They are: passenger miles per vehicle revenue mile, passenger miles per vehicle revenue hour, vehicle revenue mile per capita, vehicle revenue hour per capita, passenger miles per capita, and passenger trips per capita.

CityBus has met and exceeded the performance criteria for the past three years. It is the only transit system in Indiana to exceed five categories in 2008 and 2009. CityBus received an additional \$752,084 (2008) and \$702,764 (2009). For 2010, CityBus met only three of the criteria and will be receiving an additional \$189,832. This amount, once again, only reflects a portion of the 2010 allocation.

Table 18. Federal Funds Available to CityBus

CY Year	Total Apportionment	Percent Change
2005	\$1,506,780	
2006	\$1,898,035	26.0%
2007	\$2,300,689	21.2%
2008	\$2,464,135	7.1%
2009	\$2,523,929	2.4%
2010	\$941,577	

With the exception of one year, 2009, funding from the State's Indiana Public Mass Transportation Funds (PMTF) has steadily increased (**Table 19**). The formula INDOT uses to distribute funds is solely based on performance measures. Since CityBus is successful at marketing itself and ridership continues at a high level, the amount of PMTF funds received continues to be substantial.

Funds received through fares, passes, tokens, and advertising (listed under operating revenues) have increased over the past five years. It did decrease only slightly in 2009. **Table 19** shows the amount and percentage increases.

Revenues generated from local taxes (listed under local revenue) have fluctuated. These funds come from three different sources: property tax, county option income tax, and excise tax. Of the three, the excise tax has been the most reliable source and steadily increased over the past five years. Property tax revenue fluctuates every year.

Financial Capability Review

CityBus anticipates it will receive adequate funding to continue operating the system through the next five years (**Table 20**). Operating costs are anticipated to remain constant for 2011 and increase the following three years. Projected revenues are anticipated to increase and will be more than sufficient to meet projected expenses. Comparing projected operating and capital costs to total projected revenue, **Table 20** clearly shows there will be adequate funds available. These projections include all local, state PMTF, and federal assistance.

CityBus foresees Section 5307 federal funding to decrease in 2011 due to the uncertainty of a new transportation act. It is anticipated there will be a small increase over the following three years after the passage of a new act (**Table 20**). Based on available information, the decrease is only anticipated the first year but the following increases are anticipated to be approximately four percent a year.

State PMTF funds are also predicted to increase. The funding formula rewards transit systems that operate efficiently. Past annual reports clearly show that CityBus leads the state in system performance. If CityBus continues to operate as efficiently as it has, then state funds should at least remain stable if not continue to increase.

Local funding sources are also anticipated to increase over the next five years. At this time, funds generated from fares, passes, advertising and tokens are expected to steadily increase. Likewise, funds generated from taxes should increase as well.

Table 19, CityBus Financial Condition

Operating Expenses

Revenues	2005	2006	2007	2008	2009
Operating ¹	2,087,442	2,274,403	2,313,222	2,692,805	2,613,423
% Change		9.0%	1.7%	0.2%	-0.03%
Local ²	1,559,320	1,028,272	1,924,836	2,066,244	2,621,088
% Change		-34.0%	87.2%	0.1%	0.3%
State (PMTF)	2,606,658	2,776,548	3,054,605	3,554,503	3,527,978
% Change		6.5%	10.0%	0.2%	-0.01%
Federal	1,007,926	1,409,762	580,806	634,755	3,041,702
% Change		39.9%	-58.8%	0.09%	3.8%
State Capital Assistance					186,936
Total Operating Expenses	7,261,346	7,488,985	7,873,469	8,948,308	11,991,127
% Change		3.1%	5.1%	0.1%	0.3%

Capital Expenses

Local ³	124,900	87,560	192,096	794,080	1,112,354
Community					
State	0	0	0	0	0
Federal	499,598	350,240	768,384	198,520	4,449,415
Total Capital Expenses	624,498	437,800	960,480	992,600	5,561,769

Carry Over Funds (Cumulative Capital Funds)

300,000	0	0
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Source: Indiana Public Transportation Annual Report: 2005, 2006, 2007 & 2008
 Greater Lafayette Public Transportation Corporation: 2009
 All Figures are Unaudited

¹ Funding sources derived from Fares, Passes, Advertising and Tokens

² Funding sources derived from Property Tax, County Option Income Tax, and Excise Tax

³ Capital projects reflect both Section 5307 Capital and capital grants solely funded from local funds

Table 20, CityBus Financial Capability

	2010	2011	2012	2013	2014
Projected Revenues					
Operating ¹	2,744,423	2,835,297	2,977,062	3,125,915	3,282,211
% Change		3.3%	5.0%	5.0%	5.0%
Local ²	2,610,936	2,768,989	2,852,059	2,937,621	3,025,749
% Change		6.0%	3.0%	3.0%	3.0%
State (PMTF)	3,693,300	3,712,680	3,842,623	3,977,115	4,116,314
% Change		0.5%	3.5%	3.5%	3.5%
Federal					
Sec 5307	2,716,709	2,567,834	2,670,547	2,777,369	2,888,464
% Change		-5.5%	4.0%	4.0%	4.0%
Sec 5309	2,950,000				
Sec 5316	458,750	424,293	100,000	100,000	100,000
State C.O.					
ARRA	2,413,099				
Carry over	626,000	100,000	100,000	220,000	220,000
Total	18,213,217	12,409,093	12,542,291	13,138,020	13,632,739
Projected Operating Costs					
	10,464,751	10,464,751	10,987,989	11,537,388	12,114,258
Projected Capital Costs					
	7,746,485	1,459,793	1,525,684	1,596,712	1,510,580
Projected Operating and Capital					
Total	18,211,236	11,924,544	12,513,673	13,134,100	13,624,838

Source: Greater Lafayette Public Transportation Corporation

¹ Funding sources derived from Fares, Passes, Advertising and Tokens

² Funding sources derived from Property Tax, County Option Tax, and Excise Tax

Section 5307 Capital Expenditure, Justification & Summary for 2011**REPLACEMENT TIRES - \$45,000**

With over 1.5 million revenue miles of service operated on an annual basis and mileage increasing due to the service agreement with Purdue University, this request constitutes replacement of tires on approximately 50% of the full size coaches. Six tires are required for each bus. The expected life of the tires is over one (1) year considering the average mileage run on each tire. Budgeted amount for tires for each unit is \$1,500.

BUS OVERHAUL - \$113,000*A. Rebuild up to five (5) bus engines - \$61,000*

Based on 2009 and similar experience in previous years, CityBus anticipates the need for up to five (5) engine rebuilds in 2011 at an average cost of \$12,200 each.

B. Rebuild up to three (3) bus transmissions - \$24,000

Based on 2009 and similar experience in previous years, CityBus anticipates the need for up to three (3) transmission rebuilds. Estimated average cost of each transmission rebuild is \$8,000.

C. Bus rebuild components - \$28,000

Replacement components: turbo charge units, charge air coolers, alternators, ECM's, outboard planetary differentials, fuel pumps, brake units. Base on previous year's experience, up to two (2) units of each item may be needed.

COMPUTER HARDWARE & SOFTWARE UPGARDES - \$60,000

A continuous investment must be made in up to date computer technology for administrative and maintenance employees. Many computer systems need to be replaced or updated every two to three years in order for employees and systems to operate efficiently and effectively.

SUPPORT VEHICLE - \$30,000

Replace the 2001 Buick Caravan. The support vehicle to be replaced was purchased in 2001. This vehicle will exceed the requirements of FTA Circular 9030.1A in terms of age.

BUS REPLACEMENT - \$1,211,793

Due to the age and condition of several buses in the fleet, CityBus desires to purchase (3) replacement full-sized transit buses. CityBus will replace the vehicles per FTA guidelines outlined in FTA Circular 930.1A. The buses being replaced are over 12 years in age, and are becoming increasingly too expensive to maintain and be reliable. CityBus will replace Bus #905 and #906 (1994 Gilligs).

Table 21, 2011 Section 5307 Capital Grant Summary

	<u>Federal Share</u>	<u>Local Share</u>	<u>Total Cost</u>
Replacement Tires	36,000	9,000	45,000
Engine Rebuilds	48,800	12,200	61,000
Transmission Rebuilds	19,200	4,800	24,000
Bus Rebuild Components	22,400	5,600	28,000
Computer Hardware/Software Upgrade	48,000	12,000	60,000
Support Vehicle	24,000	6,000	30,000
Bus Replacement	<u>969,434</u>	<u>242,359</u>	<u>1,211,793</u>
TOTAL	<u>1,167,834</u>	<u>291,959</u>	<u>1,459,793</u>

Section 5307 Capital Expenditure, Justification & Summary for 2012

REPLACEMENT TIRES - \$45,000

With over 1.5 million miles of service operated on an annual basis and mileage increasing due to the service agreement with Purdue University, this request constitutes replacement of tires on approximately 50% of the full size coaches. Six tires are required for each bus. The expected life of the tires is over one (1) year considering the average mileage run on each tire. Budgeted amount for tires for each unit is \$1,500.

BUS OVERHAUL - \$113,000*A. Rebuild up to five (5) bus engines - \$61,000*

Based on 2009 and similar experience in previous years, CityBus anticipates the need for up to five (5) engine rebuilds at an average cost of \$12,200 each.

B. Rebuild up to three (3) bus transmissions - \$24,000

Based on 2009 and similar experience in previous years, CityBus anticipates the need for up to three (3) transmission rebuilds. Estimated average cost of each transmission rebuild is \$8,000.

C. Bus rebuild components - \$28,000

Replacement components: turbo charge units, charge air coolers, alternators, ECM's, outboard planetary differentials, fuel pumps, and brake units. Based on 2008 and similar experience, up to two (2) units of each item may be needed.

COMPUTER HARDWARE & SOFTWARE UPGARDES - \$60,000

A continuous investment must be made in up-to-date computer technology for administrative and maintenance employees. Many computer systems need to be replaced or updated every two to three years in order for employees and systems to operate efficiently and effectively.

SUPPORT VEHICLE - \$30,000

Replace the 2003 Ford Windstar. The support vehicle to be replaced was purchased in 2003. This vehicle will exceed the requirements of FTA Circular 9030.1A in terms of age for replacement.

BUS REPLACEMENT - \$1,277,684

Due to age and condition of several buses in the fleet, CityBus desires to purchase three (3) replacement full-sized transit buses. CityBus will replace the vehicles per FTA guidelines outlined in FTA Circular 9030.1A. The buses being replaced are over 12 years in age, and are becoming increasingly too expensive to maintain and be reliable. CityBus will replace Bus #1001, and #1002 (1998 (Gilligs).

Table 22, 2012 Section 5307 Capital Grant Summary

	<u>Federal Share</u>	<u>Local Share</u>	<u>Total Cost</u>
Replacement Tires	36,000	9,000	45,000
Engine Rebuilds	48,800	12,200	61,000
Transmission Rebuilds	19,200	4,800	24,000
Bus Rebuild Components	22,400	5,600	28,000
Computer Hardware and Software Upgrades	48,000	12,000	60,000
Support Vehicle	24,000	6,000	30,000
Bus Replacement	<u>1,022,147</u>	<u>255,537</u>	<u>1,277,684</u>
TOTAL	<u>1,220,547</u>	<u>305,137</u>	<u>1,525,684</u>

Section 5307 Capital Expenditure, Justification & Summary for 2013

REPLACEMENT TIRES - \$45,000

With over 1.5 million revenue miles of service operated on an annual basis and mileage increasing due to the service agreement with Purdue University, this request constitutes replacement of tires on approximately 50% of the full size coaches. Six tires are required for each bus. The expected life of the tires is over one (1) year considering the average mileage run on each tire. Budget amount for tires for each unit is \$1,500.

BUS OVERHAUL - \$113,000

A. Rebuild up to Five (5) Bus Engines - \$61,000

Based on 2009 and similar experience in previous years, CityBus anticipates the need for up to five (5) engine rebuilds at an average cost of \$12,200 each.

B. Rebuild up to Three (3) Bus Transmissions - \$24,000

Based on 2009 and similar experience in previous years, CityBus anticipates the need for up to four (3) transmission rebuilds. Estimated average cost of each transmission is \$8,000.

C. Bus rebuild components - \$28,000

Replacement components: turbo charge units, charge air coolers, alternators, ECM's, outboard planetary differentials, fuel pumps, and brake units. Based on the previous years experience, up to two (2) units of each item may be needed.

COMPUTER HARDWARE & SOFTWARE UPGRADES - \$60,000

A continuous investment must be made in up to date computer technology for administrative and maintenance employees. Many computer systems need to be replaced or updated every two to three years in order for employees and systems to operate efficiently and effectively.

SUPPORT VEHICLE - \$30,000

Replace the 2001 Dodge Truck. The support vehicle to be replaced was purchased in 2001. This vehicle will exceed the requirements of FTA Circular 9030.1A in terms of age for replacement.

BUS REPLACEMENT - \$1,277,684

Due to age and condition of several buses in the fleet, CityBus desires to purchase three (3) replacement full-sized transit buses. CityBus will replace the vehicles per FTA guidelines outlined in FTA Circular 9030.1A. The buses being replaced are over 12 years in age, and are becoming increasingly too expensive to maintain and be reliable. CityBus will replace Bus #1003 and #1004 (1998 Gillig).

Table 25, 2013 Section 5307 Capital Grant Summary

	<u>Federal Share</u>	<u>Local Share</u>	<u>Total Cost</u>
Tires, Replacement	36,000	9,000	45,000
Engine Rebuilds	48,800	12,200	61,000
Transmission Rebuilds	19,200	4,800	24,000
Bus Rebuild Components	22,400	5,600	28,000
Computer Hardware & Software Upgrades	48,000	12,000	60,000
Support Vehicle	24,000	6,000	30,000
Bus Replacement	<u>1,078,969</u>	<u>269,742</u>	<u>1,348,711</u>
TOTAL	<u>1,277,369</u>	<u>319,342</u>	<u>1,596,711</u>

Section 5307 Capital Expenditure, Justification & Summary for 2014

REPLACEMENT TIRES - \$45,000

With over 1.5 million revenue miles of service operated on an annual basis and mileage increasing due to the service agreement with Purdue University, this request constitutes replacement of tires on approximately 50% of the full size coaches. Six tires are required for each bus. The expected life of the tires is over one (1) year considering the average mileage run on each tire.

BUS OVERHAUL - \$113,000*A. Rebuild up to five (5) Bus Engines - \$61,000*

Based on 2009 and similar experience in previous years, CityBus anticipates the need for up to five (5) engine rebuilds at an average cost of \$12,200 each.

B. Rebuild up to Three (3) Bus Transmissions - \$24,000

Based on 2009 and similar experience in previous years, CityBus anticipates the need for up to three (3) transmission rebuilds. Estimated average cost of each transmission is \$8,000.

C. Bus rebuild components - \$28,000

Replacement components: turbo charge units, charge air coolers, alternators, ECM's, outboard planetary differentials, fuel pumps, and brake units. Based on the previous years experience, up to two (2) units of each item may be needed.

COMPUTER HARDWARE & SOFTWARE UPGARDES - \$60,000

A continuous investment must be made in up to date computer technology for administrative and maintenance employees. Many computer systems need to be replaced or updated every two to three years in order for employees and systems to operate efficiently and effectively.

SUPPORT VEHICLE - \$30,000

Replace the 2005 Ford Freestar Van. The support vehicle to be replaced was purchased in 2003. Th5s vehicle will exceed the requirements of FTA Circular 9030.1A in terms of age for replacement.

BUS REPLACEMENT - \$1,262,500

Due to age and condition of several buses in the fleet, CityBus desires to purchase three (3) replacement full-sized transit buses. CityBus will replace the vehicles per FTA guidelines outlined in FTA Circular 9030.1A. The buses being replaced are over 12 years in age, and are becoming increasingly too expensive to maintain and be reliable. CityBus will replace bus #1005 and #1006 (1998 Gillig).

Table 24, 2014 Section 5307 Capital Grant Summary

	<u>Federal Share</u>	<u>Local Share</u>	<u>Total Cost</u>
Tires, Replacement	36,000	9,000	45,000
Engine Rebuilds	48,800	12,200	61,000
Transmission Rebuilds	19,200	4,800	24,000
Bus Rebuild Components	22,400	5,600	28,000
Computer Hardware & Software Upgrades	48,000	12,000	60,000
Support Vehicle	24,000	6,000	30,000
Bus Replacement	<u>1,010,064</u>	<u>252,516</u>	<u>1,262,580</u>
TOTAL	1,208,464	302,116	1,510,580

Section 5309 Capital Expenditure, Justification & Summary

2009 Bus Replacement - \$3,681,250 E2009-BUSP-358

Due to the age and condition of several buses in the fleet, CityBus desires to purchase up to six (6) replacement full-sized hybrid transit buses. CityBus will replace the vehicles per FTA guidelines outlined in FTA Circular 9030.1A. The buses being replaced will be over 12 years in age, and they are becoming increasingly too expensive to maintain and be reliable. CityBus will replace Bus #709, 710, 711, 712, 713 and 714 (1994 New Flyers)

	<u>Federal Share</u>	<u>Local Share</u>	<u>Total Cost</u>
2009 – Bus Replacement	2,945,000	736,250	3,681,250

Riehle Plaza Transportation Improvements E2010-BUSP-086

Section 5309 funds will be used to reconstruct and improve the boarding and deboarding area at Riehle Plaza. The funds will be used for the fees associated for an architectural/engineering firm to complete the design, acquire property and for construction. The current design contains numerous flaws creating difficulties for disabled persons to board, deboard and transfer.

	<u>Federal Share</u>	<u>Local Share</u>	<u>Total Cost</u>
Riehle Plaza Improvements	450,000	112,500	562,500

Electric Hybrid Bus Initiative E2010-BUSP-083

Section 5309 funds will be used to upgrade three new diesel buses to electric hybrids. This capital grant is part of a statewide grant that was secured by Senator Richard Lugar.

	<u>Federal Share</u>	<u>Local Share</u>	<u>Total Cost</u>
Hybrid Bus Upgrades	480,000	120,000	600,000